

1 public hearings in this case.¹ Company witness Pirro largely portrays the increase as
2 intended “to reflect full cost recovery of the customer component identified in the unit cost
3 study” and “to minimize subsidization of customers within the rate class.” (Pirro Rebuttal
4 Testimony, pp. 3-4.). In other words, it’s simply an intra-class shift from high users to low
5 users. However, front-loading customer costs also shifts the revenue risks of lowered load
6 growth, improved weatherization and efficiencies in heating and air conditioning and
7 appliances, distributed generation expansion, and battery storage expansion from the
8 Company onto customers.

9 Company witness Ghartey-Tagoe suggests that this shift mostly affects “low usage
10 customers, such as customers with vacation or second homes.” (Rebuttal Testimony, p. 9.)
11 However, DEC witness Pirro presents clear evidence in his chart “# of DEC Low Income
12 Bills by Usage Level (Household Income < \$30,000),” that most low-income customers,
13 including low-income seniors and renters, are low usage customers. (Rebuttal Testimony,
14 p. 7). All of the efforts to minimize the share of low-income customers who are low use
15 customers is belied by simply looking at Pirro’s chart. The majority falls below the 1,100
16 monthly average kWh usage.

¹ See, for example, Brown, Anderson Independent Mail, “‘Outrageous’ ‘preposterous’: Duke Energy rate hike proposal sparks Anderson customers’ ire,” at <https://www.independentmail.com/story/news/local/2019/03/14/south-carolina-duke-energy-proposed-rate-hike-called-outrageous-and-preposterous/3155063002/> (March 14, 2019); Mitchell, Greenville News, “Here’s why hundreds of Greenville-area Duke customers say ‘no’ to a rate increase” at <https://www.greenvilleonline.com/story/news/2019/03/14/hundreds-greenville-area-duke-customers-say-no-rate-increase/3169375002/> (March 14, 2019); Lavender, “Big crowd turns out to oppose ‘extreme’ Duke Energy rate increase” at <https://www.goupstate.com/news/20190312/big-crowd-turns-out-to-oppose-extreme-duke-energy-rate-increase> (March 12, 2019).